

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 225826

20

ORIGIN AF-06

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-03

INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02 OPIC-03 SP-02

CIEP-01 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-04

CEA-01 L-03 H-02 DODE-00 PA-01 PRS-01 /081 R

DRAFTED BY AF/W:JKBISHOP:BA

APPROVED BY AF/W-JAMES K. BISHOP

AF/EPS-RDUNCAN (DRAFT)

EB/IFD/OIA-TBRODERICK (DRAFT)

----- 072126

R 222217Z SEP 75

FM SECSTATE WASHDC

TO AMEMBASSY COTONOU

LIMITED OFFICIAL USE STATE 225826

E.O. 11652: N/A

TAGS: EINV, PFOR, EAID, DM

SUBJECT: DAHOMEAN NATIONALIZATION OF US INTERESTS

1. ACTING DIRECTOR BISHOP AF/W CALLED DAHOMEAN COUNSELOR
SOGLO TO DEPARTMENT SEPT. 11 FOR DISCUSSION OF HIS GOVERN-
MENT'S FAILURE INITIATE NEGOTIATIONS ON COMPENSATION FOR
NATIONALIZED ASSETS OF AMERICAN COMPANIES. IN THEIR
CONVERSATION BISHOP EMPHASIZED THAT IN THE ABSENCE OF ANY
EVIDENCE OF DAHOMEY GOVERNMENT INTENTION TO INITIATE
NEGOTIATIONS DAHOMEY COULD BE FOUND INELIGIBLE FOR
GENERALIZED PREFERENCES PROVIDED BY US TRADE ACT OF 1974.
SOGLO ALSO WAS ADVISED THAT FAILURE OF HIS GOVERNMENT TO
NEGOTIATE COMPENSATION COULD LEAD TO SUSPENSION OF US
ASSISTANCE PROGRAMS. BISHOP STRESSED DESIRE OF USG TO
AVOID BEING PLACED IN SITUATION WHERE IT WOULD BE NECES-
SARY TO APPLY PROVISIONS OF TRADE ACT AND FOREIGN ASSIST-

LIMITED OFFICIAL USE

PAGE 02 STATE 225826

SARY TO APPLY PROVISIONS OF TRADE ACT AND FOREIGN ASSIST-

ANCE LEGISLATION REGARDING UNCOMPENSATED NATIONALIZATION.

2. IN RESPONDING, SOGLO CITED ASSURANCES GIVEN BY DAHOMEY PRESIDENT THAT COMPENSATION WOULD BE PAID FOR NATIONALIZED FOREIGN ASSETS. HE REPORTED THAT NEGOTIATIONS WITH ONE FOREIGN BANK HAD BEEN CONCLUDED SUCCESSFULLY, CITING

ARTICLE IN AUGUST 22 ISSUE OF "MARCHES TROPICANX" REPORTING THAT DAHOMEY GOVERNMENT AND EUROPEAN PARTNERS IN SOCIETE DAHOMEENE DE BANQUE HAD AGREED ON COMPENSATION FORMULA INCORPORATING 50 PERCENT CASH PAYMENT WITH BALANCE BEING PAID OVER FIVE YEAR PERIOD. SOGLO SAID DELAY IN ARRANGING TALKS WITH US COMPANIES IS A FUNCTION OF WEAKNESS OF DAHOMEY'S ADMINISTRATION, AND HE ASKED THAT USG AND AMERICAN COMPANIES BE PATIENT. HE ADDED THAT WITH ITS LIMITED FINANCIAL RESOURCES DAHOMEY WOULD BE UNABLE TO COMPENSATE ALL FOREIGN INTERESTS SIMULTANEOUSLY.

3. BISHOP SAID SOME OF THE AMERICAN COMPANIES WERE BECOMING UNDERSTANDABLY IMPATIENT, AND THAT FOR SOME OF THESE FIRMS UNCOMPENSATED NATIONALIZATION IS A PROBLEM NOT RESTRICTED TO DAHOMEY. HE SUGGESTED THAT A STATEMENT BY THE GOVERNMENT TO THE COMPANIES INDICATING WHEN COMPENSATION NEGOTIATIONS COULD BE EXPECTED MIGHT RELIEVE THEIR ANXIETY. SOGLO PROMISED TO CONVEY THIS SUGGESTION TO HIS FOREIGN MINISTER DURING MEETING SCHEDULED FOR WEEKEND.

INGERSOLL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, BUSINESS FIRMS, GENERALIZED PREFERENCES (TARIFFS), FOREIGN ASSISTANCE PROGRAMS
Control Number: n/a
Copy: SINGLE
Draft Date: 22 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE225826
Document Source: CORE
Document Unique ID: 00
Drafter: JKBISHOP:BA
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750328-1123
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750928/aaaaazaj.tel
Line Count: 90
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN AF
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 22 AUG 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 AUG 2003 by CunninFX>; APPROVED <09 DEC 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: DAHOMEAN NATIONALIZATION OF US INTERESTS
TAGS: EINV, PFOR, EAID, DM
To: COTONOU
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006